

NEW SOUTH WALESBUSINESS STATISTICS - MONTHLY DIGEST.JULY - 1942.GENERAL.

Business continues at high levels. Confidence is strong, as shown by indexes of share prices and the trend of bond yields.

Employment is tending to decline somewhat due to the call-up of men. Within the employee group, diversion also is taking place bringing more people into war work.

State finances for 1941/42 show a surplus for the first time for years.

The Commonwealth Government does not intend to raise income tax rates in 1942/43. Civilian consumption will be checked by rationing and other means. This will help to provide the large volume of loan funds required during the year.

Australian woolgrowers will receive an additional eight or nine million £ in the new year as a result of the new British purchase price.

Less resources will be used growing wheat in the new season. Acreage sown (N.S.W.) is 24% below last year.

PUBLIC FINANCE.

At the end of May, the accounts of the State Government revealed a surplus of £1.49 m. The estimated surplus at 30th June was £880,000.

The surplus of earnings over working expenses (excl. interest, sinking fund and exchange) recorded by State business undertakings was £8.18 m. for the eleven months ended May, 1942, compared with £8.97 m. in the previous year. Revenue of the undertakings was £2.7 m. higher but expenditure showed an increase of £3.5 m. The Consolidated Revenue Fund (incl. Unemployment Relief etc.) showed an improvement of £2.63 m.

N.S.W. GOVERNMENT CONSOLIDATED REVENUE FUND & BUSINESS UNDERTAKINGS.

Includes Unemployment Relief & Social Services Funds which were incl. in the C.R. Fund from 1st July, 1941.

	Eleven months ended May.				
	1938	1939	1940	1941	1942
Revenue £m.	52.05	51.64	55.06	59.72	62.21
Expenditure £m.	52.61	53.89	58.11	60.06	60.72
Surplus (+) or Deficit (-) £m.	(-) 0.56	(-) 2.25	(-) 3.05	(-) 0.34	(+) 1.49

The State Government has allocated £269,000 to be applied to the liquidation of deficits of hospitals at 30th June. It is expected that there will be a substantial surplus in the State accounts at the year end. Some portion of this surplus may be paid to the Commonwealth Government.

The Commonwealth war expenditure during 1942/43 will be some £400 m. War expenditure up to the end of June 1942 is about £525 m. of which loans, interest-free loans and war savings certificates have provided £253 m., revenue £200 m. and temporary loans from the Commonwealth Bank £72 m. In the new financial year,

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the Commonwealth Government will not impose any new taxation (except where the uniform tax plan increases a taxpayer's liability) if the High Court decides that the uniform tax plan is permitted by the Constitution. Additional revenue of some £75 m. will accrue from the operation of the uniform tax plan and the operation for a full year of current taxation rates.

The relief of metalliferous mines from 20% of their taxation (v. B/S 6A) has been extended. Twenty per cent. of the dividends paid wholly and exclusively from the profits represented by the special exemption are now exempted also.

The Second Liberty Loan was over-subscribed due to a late rush of applications from small investors. The terms of the loan were the same as for the first Liberty Loan. Approximately 192,000 subscribers applied for £37,250,000 compared with 240,000 and £48,083,000 for the First Liberty Loan which was floated in Feb.-Mar., 1942. The amount raised by loans in 1941/42 was £119 m. During the new financial year total borrowing aimed at is £200 m.

The Commonwealth Taxation Advisory Committee has recommended special depreciation allowances for plant subject to war-time wear and on tear and obsolescence. It is intended to introduce the measure to limit company profits to 4% but some difficulties are being experienced in devising the administrative arrangements.

BANKING.

There was little movement in trading bank deposits between March & May except for an increase in the proportion of deposits which were on current account. Advances showed a normal upward seasonal movement from March to April but fell slightly in May. The demand for rural credits normally causes expansion of advances at this time of the year. However, under war conditions both advances and deposits are influenced to a greater extent by other factors. Particularly noticeable are the effects of war loans and tax payments.

Compared with May, 1941, deposits bearing interest were £15 m. lower in May 1942. Deposits not bearing interest (current account) were £46.4 m. higher. Advances were £13.2 lower.

Deposits in savings banks in N.S.W. in May, 1942, showed the largest increase in any month since the war began. At the end of May, total deposits were almost at the same level as in January (prior to the First Liberty Loan).

In February and March net sales of War Savings Certificates were over £300,000 a month. There are usually increased purchases when loan campaigns take place. Satisfactory sales are reported in June. At the end of March, net sales of W.S. Certificates in N.S.W. had reached £8,712,000 (from March, 1940). During the war, savings bank deposits have increased by £5,968,000. Sales of £10 "Baby" War Bonds commenced on 15th April and by 20th June £619,000 worth had been sold throughout Australia.

SAVINGS BANKS AND W.S. CERTIFICATES, N.S.W.

End of Month.	Number of Savings Banks Accounts	Savings Bank Deposits	Savings Banks, Deposits - Increase from preceding month	War Savings Certificates - Monthly purchases less repayments.
	'000	£000	£000	£000
1939 - May	1,324	86,087	(-) 125	(First issued March, 1940)
1940 - "	1,321	85,179	(-) 1,876	369
1941 - "	1,353	86,096	(-) 886	300
1942 - "	1,366	92,925	1,815	x
1941 - Nov.	1,389	91,499	185	207
Dec.	1,389	91,658	159	292
1942 - Jan.	1,397	92,973	1,315	239
Feb.	1,379	90,647	(-) 2,326	337
Mar.	1,340	89,459	(-) 1,188	340
Apr.	1,351	91,111	1,652	x
May	1,366	92,925	1,815	x

x Not available.

INVESTMENT YIELDS.

The strong tone of the Sydney Stock Exchange despite the reverse in Libya and the proposal to limit profits to 4% reflects a confident outlook. During June the prices of many first-class industrial shares reached or approached maximum (fixed) prices. There was also some interest in second-class industrial equities, prices of which have been relatively low since the commencement of the year. At current prices these will provide a satisfactory return even if profits are limited to 4% on shareholders' funds. Shares of retail companies are in demand despite the introduction of clothes rationing.

The Bureau of Statistics and Economics Index of Share Prices on the Sydney Stock Exchange (par value = 100) was 153 in May compared with 150 a month earlier and 166 in January, 1942.

The Stock Exchange Index of Share Prices (1934=100) has moved as follows:

31 March	.....	93.76	28 May	.....	98.42
30 April	.....	95.73	30 June	.....	104.51
			1 July	.....	105.08

The yield on short term Commonwealth bonds declined slightly in May and June, Long term bonds were steady. A new standard of prices of securities issued by semi-government bodies came into operation on 16th June. Prices are based on a maximum return of $3\frac{7}{8}\%$, brokerage paid. Interest rates charged on private first mortgages were lower in May than in April by 0.1%.

N.S.W. INVESTMENT YIELDS.

	Share Prices Sydney 34 Active shares par = 100 (Govt. Statistician's Index)	YIELD ON COMMONWEALTH GOVERNMENT SECURITIES TAXED AT 1930 RATES. x		RATES OF INTEREST ON PRIVATE FIRST MORTGAGES [/]	
		5 years & under 10	10 years & over.	Rural	Urban
		%	%	%	%
1939, Sept.	180	3.98	4.04	5.2	5.5
1942, May	153	2.95	3.12	4.8	5.4
1941, Oct.	186	3.06	3.19	4.9	5.5
Nov.	182	2.94	3.13	4.9	5.5
Dec.	171	2.94	3.09	4.9	5.5
1942, Jan.	166	2.92	3.04	5.0	5.5
Feb.	157 x	3.07	3.16	5.0	5.5
Mar.	147 x	3.07	3.17	5.0	5.5
Apr.	150	3.00	3.13	4.9	5.5
May	153	2.95	3.12	4.8	5.4
June	-	2.93	3.13	-	-

x Last Wednesday in month.

[/] Weighted average rate excl. mortgages to banks and Government.

x Share transactions ceased from 20th Feb., to 10th March, inclusive.

TRADE & COMMERCE.

The level of bank clearings remains high. Greater funds are in circulation in the form of notes. The total note issue on 22nd June was £102 millions compared with £48.5 m. in August, 1939. The banks held £13.5 m. in Aug. 1939 and on June 1st, 1942 they held £15 m. The balance of the extra notes was in the hands of the public.

/Sales

Sales at wholesale continued at high levels until March. There was unprecedented activity in the retail trade in March and April. Compared with the previous year the value of sales in these two months were 25.9 and 25.6 per cent. respectively above 1941 figures. In mid-May a quota restriction was placed on retail sales of clothing and from June 16th consumers have to surrender coupons for clothing purchases. Retail stocks had fallen to little more than 10% above last year (value) by April, 1942 compared with 19.2% in February.

N.S.W. BANK CLEARINGS, WHOLESALE TRADE, REAL ESTATE.

Period.	Sydney Bank Clearings [∅]		N.S.W. Wholesale Trade Sales.	Sydney Retail Trade. Index of Sales. Base: same period 1931.	N.S.W. Real Estate.	
	Amount.	Index (Base same period 1926/30).			Sales.	New Mort- gages & Re- newals (Total urban and rural).
	£n.		£n.		£n.	£n.
1938	942.4	101	193.0	143	37.4	27.0
1939	932.3	100	200.3	146	32.2	22.4
1940	1,074.8	113	203.8	156	31.1	16.5
1941	1,139.4	120	229.0	178	33.2	15.6
1941 Mar.	89.4	110 ^x	17.4	160 ^x	2.7	1.3
Apr.	86.9	111 ^x	19.0	164 ^x	2.6	1.3
May	106.3	117 ^x	18.8	172 ^x	2.8	1.3
Nov.	99.6	124 ^x	20.6	204 ^x	2.5	1.0
Dec.	104.9	124 ^x	20.3	184 ^x	3.0	1.2
1942 Jan.	92.0	123 ^x	18.7	160 ^x	2.8	0.9
Feb.	97.1	123 ^x	19.4	160 ^x	2.5	1.0
Mar.	102.6	119 ^x	19.5	178 ^x	2.1	1.0
Apr.	95.4	125 ^x	-	194 ^x	2.3	0.9
May	98.9	125 ^x	-	-	1.2	0.5

x Moving average of three months ended month shown. ∅ Excl. Treasury Bill transactions.

Standard "war cloths" are now coming from the mills. Plant available after war contract work has been allocated is producing for civilian markets. All new wool is being used but the cloths are only single welt which means a loss of about 5% in strength. Further yarn cannot be drawn from the knitting industry to provide two-fold yarn. Men's suitings will be made in six different shades and stripings. A tailor-made suit will cost about £7.7.0. This is approximately the price today of a lower medium grade suit. Cloth for women's clothing will have a large range of plain colours if not of weave or design.

Tea rationing by coupons comes into force on July 6th, replacing the tied-to-grocer scheme. The ration is increased to 8 oz. per person over 9 years every 5 weeks. It was formerly 8 oz. every 8 weeks.

PRICES.

The "All Items" Index numbers of retail prices (covering food, groceries, clothing, housing and miscellaneous household expenditure) show a rise of 5.2% from March Quarter, 1941, to March Quarter, 1942, for the five largest cities and towns in N.S.W.

/ "ALL

"ALL ITEMS" RETAIL PRICES INDEX.
(Cost of food, groceries, clothing, housing etc.)

Base:- 1923-27 = 1000

City or Town	1938	1939	1940	1941				1942 Mar. Qr.
				Mar. Qr.	June Qr.	Sept. Qr.	Dec. Qr.	
N.S.W. - Sydney	913	926	974	1018	1019	1027	1048	1070
- Five Towns	911	933	972	1015	1017	1025	1045	1068
Aust. - 6 Capital Cities	897	920	957	995	1000	1009	1029	1053

φ Weighted average of six capital cities.

The index number for the six capital cities was exactly 1000 in June Qr. 1941 indicating that the general level of living costs then had reached 1923-27 level.

Wholesale prices of basic materials in Australia in April 1942 were 10.2% above the corresponding month last year and 4.5% above December, 1941. During the twelve months ended April the greatest increases were in Chemicals, Oils and Waxes, Foodstuffs and Tobacco, Metals and Coal. Goods principally imported showed a rise of 9%, while goods principally home produced increased 11% in price.

WHOLESALE PRICES (BASIC MATERIALS & FOODSTUFFS) - AUSTRALIA.

Index Numbers - Base: 1928-29 = 100.

Period	Metals & Coal	Oils, Fats & Waxes	Textiles	Chemicals	Rubber & Hides	Building Materials	Food- stuffs & Tobacco	Goods Princ. Imported	Goods Princ. Home Produced	All Groups
1938/39	81	94	63	83	81	102	96	109	86	92
1939/40	83	108	81	88	101	114	95	121	87	95
1940/41	85	129	86	102	109	136	98	141	90	102
1939 -										
Aug.	82	94	66	84	83	101	91	108	83	89
Dec.	83	109	84	84	109	114	93	123	85	94
1940 -										
June	84	128	84	92	106	129	99	135	90	101
Dec.	84	129	85	102	111	136	100	141	91	103
1941 -										
June	86	133	90	102	113	138	96	146	88	102
Dec.	92	140	91	115	119	140	100	155	92	107
1942 -										
Jan.	92	143	91	116	124	140	101	154	93	108
Feb.	93	144	92	116	125	140	103	154	95	109
Mar.	93	148	93	116	119	140	103	155	96	110
Apr.	95	148	93	116	119	140	106	157	98	112

MANUFACTURING

The operations of 42 large factories in N.S.W. during April compared with a month earlier disclosed higher wages, fewer employees and slightly lower sales.

In all factories in N.S.W. it is estimated that the number of employees engaged was approximately the same in April, 1942 as in March. A decrease in male employment was counterbalanced by increased employment of females. On the basis of 1938/39 equals 100, the index of employment in factories was 130 in April, 1942.

N.S.W. MANUFACTURING INDUSTRY.

Period	42 Large Factories			All Factories & Works in N.S.W.		
	Sales	Employees	Weekly Wages & Salaries	Employees +	Index of Employment.	
					1928/29 = 100	1938/39 = 100
	£m.	Hundreds	Hundreds £	000		
1938 - Monthly Av.	3.16	235	960	x 225	124	98
1939 - " "	3.26	232	969	x 229	127	100
1940 - " "	3.59	243	1,056	x 237	131	104
1941 - " "	3.40	277	1,326	x 266	147	116
1941 - Apr.	4.01	272	1,194	274	151	120
Nov.	4.73	289	1,467	295	163	129
Dec.	5.40	288	1,555	294	162	128
1942 - Jan.	4.52	282	1,459	292	162	128
Feb.	4.77	282	1,484	296	163	129
Mar.	5.10	(a) 280	(a) 1,477	297	164	130
Apr.	4.90	(a) 278	(a) 1,513			

x Year ended June of year shown.

+ Including working proprietors.

(a) Subject to slight revision.

The index of consumption of gas and electricity in May, 1942 was 140 (base: average corresponding period 1929-31). The index for the previous month, April, was 145 and the average in 1941 was 148.

EMPLOYMENT.

Excluding rural and household domestic employees, the numbers employed in N.S.W. at the end of April 1942 were 557,000 males and 222,200 females, a total of 779,200. This compares with an estimated total of 780,800 in March. Males again showed a decline but the number of females in employment continues to increase.

NEW SOUTH WALES.ESTIMATED TOTAL EMPLOYMENT (EXCL. RURAL AND HOUSEHOLD DOMESTICS)

Month.	MALES			FEMALES			TOTAL		
	Government (C'wlth., State & Local).	Private Employ- ers.	Total	Government (C'wlth., State & Local).	Private Employ- ers.	Total	Government (C'wlth., State & Local).	Private Employ- ers.	Total
	'000	'000	'000	'000	'000	'000	'000	'000	'000
1933 June	103.2	275.7	378.9	16.8	101.8	118.6	120.0	377.5	497.5
1939 July	136.5	399.1	535.6	19.4	141.3	160.7	155.9	540.4	696.3
1941 July	141.5	423.1	564.6	21.7	185.0	206.7	163.2	608.1	771.3
Aug.	142.1	427.2	569.3	22.1	185.2	207.3	164.2	612.4	776.6
Sept.	143.4	432.7	576.1	22.4	187.9	210.3	165.8	620.6	786.4
Oct.	143.7	432.1	575.8	22.7	190.2	212.9	166.4	622.3	788.7
Nov.	144.3	431.2	575.5	23.0	193.0	216.0	167.3	624.2	791.5
Dec.	146.4	428.2	574.6	23.4	193.7	217.1	169.8	621.9	791.7
1942 Jan.	146.1	420.8	566.9	23.8	191.5	215.3	169.9	612.3	782.2
Feb.	147.2	416.8	564.0	24.6	194.9	219.5	171.8	611.7	783.5
Mar.	148.9	411.7	560.6	25.0	195.2	220.2	173.9	606.9	780.8
Apr.	151.1	405.9	557.0	26.2	196.0	222.2	177.3	601.9	779.2

(Excludes persons enlisted in the Forces and Auxiliaries and the Civil
Production Corps).

Construction

/Many.....

Many more males in N.S.W. will be withdrawn from their present occupations through the call-up of younger men for Army Service and the drafting of large numbers of older men from this State into the Civil Construction Corps. The C.C. Corps requires another 60,000 men for Allied Works Council jobs and as the Corps did not obtain many of their first 30,000 men from N.S.W. or Queensland, the bulk of the new group will be drawn from these States.

A vast programme of construction of munition works is proceeding throughout Australia. One factory in eastern N.S.W. will be the second largest in the Southern Hemisphere. Some ten factories are at present being built in N.S.W. Most of the development is taking place outside metropolitan areas and away from the coast line.

New avenues for the employment of women include the use of volunteers from the Aust. Women's Army Service for communication and calculator duty with Anti-aircraft batteries. Women are also being used as telegraphists and teleprinter operators at service establishments.

The second city to adopt women tram conductors is Perth, W.A.. Many women are being released from retail trade for munition work.

Arrangements are being made for further "dilution" of skilled labour. An agreement relating to the boat and shoe industry has been drawn up. About half the men engaged in gold-mining are to be released for military or Allied Works service. The Commonwealth is making grants to the States for the maintenance of mine assets.

Close attention is being paid to the manpower needs of the rural industries. The newly appointed Committee to inquire into conditions in the dairying industry will make a special investigation of this problem as it affects dairies.

The scheme to rationalise laundries will be introduced first in South Aust. and later extended.

A clause of the Sydney shop assistants Award which proscribes a 50 per cent. proportion of males in certain shops has been suspended for the duration of the war.

The table below shows the movement of employment in certain broad industrial classifications. It can be seen that a net increase since July 1941 in male employment has been shown only by Transport (chiefly railways and shipping) and Factories. Retail trade and Commerce have replaced ~~half~~ ^{some of} their loss of men by women.

NEW SOUTH WALES.

EMPLOYMENT OF WAGE AND SALARY EARNERS AS RECORDED ON PAY
ROLL TAX RETURNS.

Last pay-day in Month.	EMPLOYEES RECORDED BY:-						
	All Employers furnishing returns.	Employers whose main activity was:-					
		Mining & Quarrying.	Workshop & Factory	Building & Construction	Transport	Retail Trade	Other Commerce & Finance.
M A L E S - '000.							
1941-July	483.2	21.7	201.6	20.5	77.5	31.6	47.2
Dec.	491.6	21.7	205.7	17.7	84.6	31.6	46.5
1942-Jan.	482.2	21.3	204.2	18.7	82.7	29.9	45.4
Feb.	480.2	21.2	204.3	19.8	82.5	29.1	44.3
Mar.	477.5	21.1	203.9	19.6	82.7	28.2	43.4
Apr.	475.5	20.9	202.4	19.4	84.4	27.4	42.6
F E M A L E S - '000							
1941-July	164.9	0.2	75.7	0.5	3.2	31.7	18.9
Dec.	174.8	0.2	78.6	0.5	3.6	35.1	20.4
1942-Jan.	171.7	0.2	77.8	0.5	3.7	32.6	20.8
Feb.	175.5	0.2	80.1	0.5	3.8	33.3	21.1
Mar.	176.5	0.2	81.1	0.5	3.9	32.9	21.1
Apr.	177.2	0.2	80.6	0.5	3.9	33.4	21.4
T O T A L L - '000							
1941-July	648.1	21.9	277.3	21.0	80.7	63.3	66.1
Dec.	666.4	21.9	284.3	18.2	88.2	66.7	66.9
1942-Jan.	653.9	21.5	282.0	19.2	86.4	62.5	66.2
Feb.	655.7	21.4	284.4	20.3	86.3	62.4	65.4
Mar.	653.9	21.3	285.0	20.1	86.6	61.1	64.5
Apr.	652.7	21.1	283.0	19.9	88.3	60.8	64.0

Pay Roll Tax returns are submitted by all employers (other than the Commonwealth Government, charities etc.) paying wages of more than £20 p.wk.

TRANSPORT.

Passenger traffic continues to grow. In the five months ended May, the number of passengers carried this year by the railways was 12.7% greater than in the corresponding period last year. The trams and 'buses carried 16.6% more passengers in the same period.

Tonnage of goods and livestock carried by State railways during the ten months ended April 1942 was 2 $\frac{1}{2}$ % above the corresponding period of 1940/41.

Increased costs have absorbed most of this year's increased revenue from railways and road transport services but the railways expect to have £200,000 surplus over and above interest, sinking fund etc. at the end of the financial year.

With the elimination of non-essential interstate travel by rail, further reductions have been made in passenger services. The provision of concession livestock trains is placing a severe strain on the railways and may soon be withdrawn.

N.S.W. PUBLIC TRANSPORT.

Period.	RAILWAYS - N.S.W.			TRAMS & 'BUSES - SYDNEY & NEWCASTLE.	
	Passenger Journeys.	Tonnage of Goods & Livestock	Excess of revenue over Working expenses (a)	Passenger Journeys.	Excess of revenue over working expenses. (b)
	millions	'000	£'000	millions	£'000
1938-39	186.7	15,417	4,603	375.2	667
1939-40	179.1	13,620	5,308	378.3	700
1940-41	194.1	18,031	6,054	406.9	858
1938/39 July-Apr.	156.3	12,508	4,210	311.7	568
1939/40 July-Apr.	149.3	12,453	5,188	316.4	606
1940/41 July-Apr.	159.3	15,073	6,491	337.1	765
1941/42 July-Apr.	180.2	15,430 (c)	6,705	400.2	737

(a) Excl. interest, sinking fund and exchange - £n.6.56 in 1939/40 and £n.6.62 in 1940/41.

(b) Excl. interest, sinking fund, exchange and current depreciation which amounted to £0.67 in 1939/40 and £n.0.66 in 1940/41.

(c) Partly estimated.

State committees have now been established to assist the Central Cargo Committee in providing for the orderly and expeditious disposal of exports and imports at Australian ports.

Marine insurance rates for voyages Alexandria and Haifa to Australian and New Zealand ports have been increased from £15 per cent. to £20 per cent.

General carriers are forming cartage pools in the four largest capital cities, principally to cover heavy cartage to and from railway yards and wharves. The pools will be self-administered. The best use will be made of repair facilities, spare parts and replacements, especially of tyres.

Motor vehicle registrations at the end of May were 2,000 lower than in April. Only 27 new vehicles were registered in May. The total number of registered vehicles in N.S.W. is now 269,000 or 18% below August 1939. To date, 36,000 vehicles throughout Australia have been fitted with producer gas units.

BUILDING.

A few houses are still being erected but there are no new authorisations of house-building on private account. The following table includes building on Government account.

BUILDINGS COMMENCED - METROPOLITAN
WATER BOARD AREA.

Period.	Dwelling Houses (excl. Flats).	VALUE - £'000.						Grand Total.
		Dwelling Houses	Flats	Business Premises (a)	Misc.	Total.		
						City	Suburbs	
	Number.							
1938	7,457	6,001	2,481	3,496	564	2,007	10,535	12,542
1939	7,341	5,967	1,855	3,130	955	1,800	10,107	11,907
1940	7,161	6,157	2,341	2,795	1,581	1,545	11,329	12,874
1941	7,177	6,556	2,450	1,738	1,074	706	11,112	11,818
1941 Apr.	533	479	202	130	27	43	795	838
Oct.	544	481	91	75	88	23	712	735
Nov.	634	547	162	83	31	26	797	823
Dec.	361	309	45	82	92	18	510	528
1942 Jan.	334	294	57	66	99	13	503	516
Feb.	59	49	9	57	106	28	193	221
Mar.	54	38	4	43	12	13	84	97
Apr.	18	14	-	139	27	38	142	180
May	13	8	-	362	74	30	414	444

(a) Includes Factories.

Permits to erect new buildings and to make alterations of a total cost of £98,000 were granted in May for private work (excluding A.R.P.) in the metropolitan area. This is less than one-eighth of the value of projects for which permits were sought in November last, the month before Japan entered the world war.

Government building (excluding Allied Works Council construction) is now greater than private building although it was only one-third as much as private building in 1941.

VALUE OF BUILDING PERMITS, ETC. - N.S.W.

New Buildings, Alterations & Additions.

PERIOD.	PRIVATE BUILDING.		PUBLIC BUILDING. (C/w. and State Govts.)		TOTAL BUILDING.		
	Metropolis	Other N.S.W. as far as recorded(a)	Metropolis	Other N.S.W. as far as recorded.	Metropolis	Other N.S.W. as far as recorded.	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
1938	14,042	6,330	x	x	.	.	.
1939	12,219	5,362	x	x	.	.	.
1940	11,718	4,888	894	2,672	12,612	7,560	20,172
1941	10,847	4,758	1,520	2,894	12,367	7,652	20,019
1941 - Oct.	768	1,060	176	202	944	2,017	4,508
Nov.	809		101	218	910		
Dec.	539		98	537	637		
1942 - Jan.	247	533	135	578	382	1,746	2,453
Feb.	121		128	294	249		
Mar.	56		20	341	76		
Apr.	86		79	169	165		
May	98		65	189	163		

x Not available

/ Contracts accepted, excluding Allied Works Council jobs.

(a) Collected at quarterly intervals.

/The next...

The next table shows the distribution of permits by types of building. In April and May demolition of houses exceeded new construction. Building of flats, hotels, shops etc. is negligible but factory construction is high.

PRIVATE BUILDING PERMITS - SYDNEY & SUBURBS.

Monthly Average.	Houses		Flats etc.	Hotels, Guest Houses	Shops etc.	Factories etc.	Other Build-ings.	Total Value	Net Addi-tional Dwell-ings.
	Brick, etc.	Wood, Fibro, etc.							
	£000	£000	£000	£000	£000	£000	£000	£000	No.
Year 1938	408	76	283	70	48	82	203	1,170	988
Jan.-May 1939	350	78	199	50	40	130	116	963	763
" " 1940	369	95	165	46	31	71	92	869	729
" " 1941	438	55	199	4	22	69	55	842	782
" " 1942	30	11	4	1	2	53	21	122	37
May, 1942	1.5	0.6	0.2	0.1	1.0	58.8	36.1	98.3	(-)14

RURAL INDUSTRIES.

Seasonal Conditions. Most of the State had satisfactory rain in June though coastal areas received less than average falls. Australian wide pastoral conditions are the best for years. Enough feed until the spring is assured. Good rains have fallen in the wheat areas and were more widely spread than is usual in June.

The rainfall index for May showed the best results for a long period. More than twice the average rainfall was recorded in sheep and wheat areas. Coastal areas were 68% below average.

RAINFALL INDEX.

Weighted average ratio of actual to normal rainfall.
Average rainfall for each month = 100.

Month.		Sheep Districts	Wheat Districts	Dairying dis- tricts. (Coastal only).
1941	Oct.	75	75	53
	Nov.	78	65	88
	Dec.	34	38	30
1942	Jan.	34	31	26
	Feb.	147	158	180
	Mar.	74	70	108
	Apr.	27	37	45
	May.	196	237	32

Export Prices. The index of export prices published by the Commonwealth Statistician was 1018 in March. The figure relates to the trade year ended in the month concerned compared with the same period of the preceding year (equals 1000).

Dairy Industries. Production of butter and cheese is still low. Exports of butter in 1941/42 for the eleven months ended May are about two-thirds of last year. Exports of cheese are about 90% of the 1940/41 quantity. A Committee has been appointed by the Federal Government to make a searching inquiry into the dairying industry including manpower requirements. Action to prohibit the slaughter of breeding cattle is contemplated. The public is enjoined to eat mutton rather than beef.

AUST. FOOD COUNCIL.

On the Agenda at the Council meeting on June 3rd were:- expansion of bulk vegetable growing, further drying of apricots and dehydration of mutton. A report to the Council recommended raising the extraction of flour to 75%.

Dehydrated food is the solution of transport and storage difficulties in supplying food to both the Forces and overseas countries. It is also regarded as an outlet for glut crops. In some quarters dehydration of mutton is considered to be the best solution of the excessive population of old sheep. Consumption of lamb has been increasing over a long period and mutton consumption is lower. As a wartime expedient Britain urgently requests dried mutton, but it is not regarded as likely by some authorities that this commodity will find a ready sale in post-war years. Larger dried food supplies could be shipped quickly to starving countries at the conclusion of the war.

Expenditure of £100,000 was recently authorised for vegetable and tree-fruit drying plant. Early this year £96,000 was made available for meat dehydration, including research in this connection. A further £106,000 may be allocated and plants built in N.S.W. and Victoria. The Production Executive of the Federal Cabinet is examining the problems of providing the necessary plant, manpower and materials.

VEGETABLES. Efforts are being made to increase the number of growers of vegetables under contract to the Supply Dept. All vegetable seeds in stock including retailers' bulk lots have been taken over by the Commonwealth Seeds Committee.

BRIEF NOTES. Australian sugar production has decreased. Production was as follows:- (Thousand tons) - 1939: 928; 1940: 806; 1941: 745. Home consumption has increased from 583,000 tons in 1939 to 417,000 tons in 1941. Purchases for export declined from 545,000 tons in 1939 to 328,000 tons in 1941.

Further appeals have been made to persons normally assisting in seasonal operations such as shearing and cane-cutting to register for this work. Temporary exemption from military service is granted. Labour reporting to the canefields has been much below expectations.

Dried egg powder released for sale in Britain includes some from Australia. Dried butterfat is being exported from Australia as ordinary cargo. Honey supplies are declining.

WOOL. The 1941/42 appraisements covered 3,577,966 bales of a total weight of 1,082 million lb., valued at £57.96 m. The average price was 12.259d. per lb. An adjustment of 9½% (flat rate), plus the 5% retention money held by the Central Wool Committee, will be paid to growers on 31st July.

Improved pastoral conditions have reduced marketings of sheep and prices have risen. Australia is carrying a record number of sheep - about 122 millions - and production of wool in the new season should be high.

During 1940/41 Australian mills used 407,479 bales of wool. Throughout 1941/42 mill operations were at full capacity level and home consumption of wool has probably increased. The wool storage position is satisfactory, large quantities of the 1941/42 clip having been shipped.

MEAT. There is plenty of mutton and sufficient lamb for all Australia's meat requirements of these types. Concern has been felt about beef supplies. There is an increased demand - particularly from American service personnel. For some years beef has marketed more and more in the form of three and four year olds in order to meet the demand for small roasts. The cattle raising industry now has to adjust itself to supplying larger quantities and beef takes time to grow.

As in the last war the price of pigs on the hoof has increased to a high level.

WHEAT.....

WHEAT. The Department of Agriculture estimates that the area sown to wheat in N.S.W. in the current season is 3.3 million acres or 24% less than last season (4,342,000 acres). Some sowings were made in dry soil but rains came early enough for successful germination and for late sowings. Temperatures have also been mild and the season has started off under very propitious circumstances.

The price of wheat for local flour is unchanged at 3/11 $\frac{1}{4}$ per bus.

In Chicago, July options were 116 $\frac{7}{8}$ cents a bushel on June 30th. Winnipeg July futures were unchanged on the month. London quotations also are unchanged.

The Federal Government has decided to make a payment of 2/- per bus. on some 300,000 to 400,000 bushels of wheat grown by farmers in excess of that for which they were licensed under the stabilisation scheme.

The official estimate for the wheat crop of all India is 10.04 million tons compared with 10.00 m. tons last year.

Arising out of the International Wheat Conference in Washington, a memorandum has been issued. The Governments of Argentina, Australia, Canada, the United Kingdom and the U.S.A. have agreed to the convening by the United States, when the time is considered appropriate, of a conference of all nations having a substantial interest in wheat, whether as consumers or producers. Attached to the agreement is a draft convention for consideration at the conference. Meanwhile the agreement requires the adoption and maintenance by the four exporting countries of positive measures to control production with the object of minimising the accumulated excess of stocks during the war.

Provision is made also for the immediate establishment of a pool of wheat for inter-Governmental relief in war-stricken and other necessitous areas so soon as the international situation permits. It brings into operation arrangements in the draft convention for contributions to a pool as they may be required of 100,000,000 bushels and additional quantities to be determined as the extent of the need becomes known.

To prevent disorganisation and confusion immediately after the war, and pending conclusion of a comprehensive international wheat agreement, the memorandum provides for bringing into operation for a limited period provisions of the draft convention relating to control by the four exporting countries of production, stocks and exports, and for co-operation by all five countries in stabilising prices.

It is reported that officials of the U.S. State Department, in announcing the new wheat agreement, said that Russia would be one of the nations whose co-operation would be sought after the war.

The draft convention recommends a general lowering of wheat prices to stimulate consumption.

For the wheat pool that is immediately contemplated, the United States agrees to contribute 50 m. bus., and the United Kingdom and Canada each 25 m. bushels. Argentina and Australia will make whatever additional contributions are found necessary.

METALS. The United States price for Bolivian tin has increased from 50 cents to 60 cents a lb. Some adjustment of British prices may become necessary.